

## Reagan and López Portillo create a new epoch in neighborly relations

by Dennis Small, Latin America Editor

After extensive discussions of the “philosophy and theory of economic development” with President Ronald Reagan, Mexican President José López Portillo left Washington June 9 “profoundly satisfied” with the results of his historic two-day summit meeting with his American counterpart. In the words of President Reagan himself, the two heads of state reached “a basic agreement on the need to strengthen the economies of the lesser developed nations to bring about social and economic development of their peoples.”

This agreement-in-principle ushers in an entirely new era in the often tense relations between the two neighboring republics. It opens the door to achieving tremendous mutual economic benefits in trade and investment. But above all, it sets an example of what relations can be between the developed “North” and the developing “South” as a whole.

Both heads of state repeatedly emphasized that U.S.-Mexico relations were a microcosm of broader North-South ties—each recognizing that their cooperative steps forward could serve as a model for the world.

The Israeli air raid against Iraq’s nuclear facilities, which occurred even as Reagan and López Portillo were meeting, served to underline the urgency of their task, as well as the Mexican President’s fundamental argument: “Peace Means Development.”

Despite their growing personal friendship, the two Presidents had entered the discussions warily on June 8. Both were painfully aware that U.S.-Mexico under President Carter had almost reached the snapping

point—due principally to Carter’s constant attempt to sabotage Mexico’s industrial plans.

The tension could be felt already in the López Portillo speech of greeting to Reagan, in which he called for the two neighbors to solve problems based on “the rule of reason,” but also found it necessary to warn: “When we do not agree, then we will talk things over without arrogance. Arrogance is a dangerous deviation of those who are in a weaker position. The other very dangerous aspect is submission.”

Scarcely 36 hours later, López Portillo’s satisfaction was palpable in his departing toast to his host Ronald Reagan: “I have spoken in this same place three times before. . . . I have always spoken frankly, [but] the relationship, for some reason or another, had always been a tense one. . . . For the first time now I have felt totally relaxed.”

The Mexican president’s “relaxation” was in large measure due to the excellent personal relationship he has developed with Reagan, and the strong backing this has provided him during the current crucial presidential succession period in Mexico. The strategy of the Socialist International is to destabilize López Portillo and weaken his personal power within Mexico, and in this way force on him their own choice for his successor.

But the effective full endorsement received from President Reagan enormously strengthens the Mexican head of state at home, and unties his hands to better deal with his Socialist International and other enemies who oppose his policy of rapid industrial growth.



Stuart Lewis/NSIPS

*President Reagan welcomes President López Portillo.*

As *EIR* predicted, economics would have to be at the center of any successful summit.

López Portillo's opening remarks to Reagan in their very first round of meetings consisted of a lengthy explanation of Mexico's ambitious industrial development strategy, designed to make Mexico a fully modernized nation by the year 2000. Most significantly, López Portillo gave "special emphasis"—in the words of a senior White House official—to the benefits the United States would receive from expanded Mexican-U.S. trade fueled by this industrial boom.

Although no concrete bilateral accord for economic cooperation was inked at the summit—such as the "oil for technology" agreement proposed by Democratic Party leader Lyndon H. LaRouche—the focus on joint economic development permeated every issue taken up in the entire two days of talks.

A review of these issues best summarizes the overall progress achieved in relations between the two nations.

**Caribbean Basin:** Media on both sides of the border who had hoped to sabotage the summit obsessively reiterated in the days before the meeting that fundamental differences over Central America, and El Salvador in particular, would keep the two Presidents apart, and make any agreements impossible. Nothing of the sort happened.

According to press accounts, President Reagan agreed with his Mexican guest that economic development was indeed "the best way to ensure the region's future stability."

The two leaders agreed in principle to establish a joint effort to aid the development of the Caribbean Basin nations. Although Secretary of State Alexander Haig had earlier proposed to give a heavy military content to such a pact, the Mexicans placed three conditions on the Caribbean Basin plan which totally undermines Haig's provocative approach—conditions which were accepted by the American side.

According to Mexican Foreign Minister Jorge Castañeda, they are: 1) "the plan should not contain any military facet"; 2) it should focus on "aiding the people and economies of the area," and not on ideological issues such as "fighting communism"; and 3) "no country should be excluded in principle from receiving help."

Although the Haig approach thus received a decisive setback at the Camp David summit, the secretary of state was named cochairman, with his counterpart Castañeda, of a new bilateral commission entrusted with followup work on the Caribbean Basin and other proposals. Trouble can be expected from this direction in the future.

**Immigration:** According to a senior administration official, U.S. Attorney General William French Smith presented the Mexican delegation with the range of options that the Reagan administration is currently considering on the thorny issue of immigration and undocumented Mexican workers in the United States. Most significantly, Smith distinguished his report from the Hesburgh Commission report of the Carter admin-

## Reagan's farewell remarks to President Lopez Portillo

*The following remarks were made by President Reagan on June 9, 1981 in bidding farewell to Mexican President José López Portillo. They constitute a useful summary of the outlook and accomplishments of the summit.*

The talks that we have had were frank. They were valuable and they led to a closer relationship between our two countries. . . . I am very proud personally to say that we have a warm and a closer personal relationship between the two of us. . . . [We have] a basic agreement on the need to strengthen the economies of the lesser developed nations to bring about the social and economic development of their peoples. . . . We will be exchanging ideas on how best to bring about such development. . . .

We decided to form a bilateral foreign secretary's commission to assure integrated handling of matters of common concern. It will be cochaired by Secretary Haig and Secretary Castañeda. It will submit a report by Dec. 31, 1981. . . .

We also decided to set up immediately a special cabinet-level trade committee to recommend how to go about dealing with outstanding bilateral trade questions. The committee will be cochaired by the United States and Mexican secretaries of commerce and the United States trade representative. . . . The committee will begin work as soon as possible.

We also agreed to address outstanding fisheries problems on a similar urgent basis.

An important agreement providing for a supply of substantial quantities of United States grain to Mexico during 1982 was signed by Secretary Block for the U.S. and Secretary De la Vega for Mexico.

Attorney General Smith briefed the Mexican delegation in detail on the various options we are now considering to deal with the undocumented migrant problem. I assured the president that the U.S. would take Mexico's interests fully into consideration . . . as well as the interests and rights of the individual migrants themselves.

President López Portillo formally invited me to participate at a meeting of heads of government . . . at Cancún in October, and I happily accepted that invitation. I look forward to the informal discussion of North-South questions which would occur at that meeting. . . .

It is a sad moment now. We had a fine, warm, lovely and productive meeting.

istration, which is based on zero economic and population growth.

It is likely that Reagan will adopt a pilot "guest worker" program for about 50,000 Mexicans per year, combined with provisions for amnesty for those currently in the United States illegally.

Although the Mexican delegation did not express its views on the matter, the crucial question of bilateral consultation was emphasized by President Reagan.

**North-South:** President Reagan announced that he had accepted López Portillo's invitation to attend the October 1981 meeting of heads of state in Cancún, Mexico, that will take up issues of North-South relations. An informal agreement was also reached that Cuba's Fidel Castro would not be invited to attend—a precondition apparently set by President Reagan. The U.S. presence at the Cancún meeting gives added weight to the deliberations, and makes progress on resolving the problem of Third World economic development a distinct possibility.

**Oil and trade:** The highly sensitive subject of Mexican oil sales to the United States was reportedly not even raised for discussion, despite the uncertainty felt in some U.S. circles as a result of the firing of Pemex head Jorge Díaz Serrano on the eve of the summit (see p. 47). There was, however, extensive discussion about bilateral trade relations in general, between the cabinet members accompanying the two Presidents, and a specific accord was signed for the purchase by Mexico of about \$2 billion in U.S. grain during 1982.

A second committee was set up to continue studying the trade question, under the cochairmanship of the secretaries of commerce of the two countries, and of U.S. Special Trade Representative William Brock.

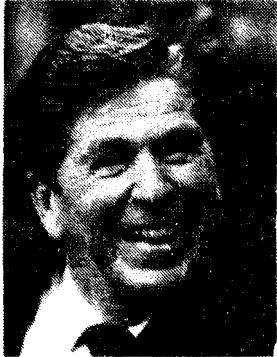
It would be up to this committee to look at further steps for mutual trade expansion, including the oil-for-technology approach. Reagan noted in his final remarks that a current fishing dispute between the United States and Mexico would also be discussed in the committee.

**North American accord:** This is the notion of a special link between Mexico, Canada, and the United States that Reagan proposed during his 1980 campaign. Despite denials from high administration officials just before the talks that such an accord would involve steps to merge the economies in a "common market"—something Mexico has sharply opposed—the "accord" idea has Mexico very jittery.

The American side in the talks touched on this sore topic by suggesting a "trilateral meeting" of the three heads of state. Though in a courtesy move López Portillo did not rule it out, Foreign Minister Castañeda reported that the Mexican leader wanted it to be clear that the meeting should have "an agenda that would not state expectations in such a way that they could not be fulfilled."

# Two presidents salute each other

## President Reagan's welcoming speech:



On behalf of the American people, I extend a cordial welcome to President José López Portillo. But I also want to extend my personal greetings, with the affection and respect that I feel for him. . . .

The relationship we have built as individuals is indicative of a new dimension that we are bringing to the friendship between our two countries. . . .

In a world full of neighbors that resort to violence, neighbors that have lost sight of their shared values and mutual interests, the good will between Mexico and the United States is a flower whose beauty we here appreciate and protect. . . .

It is our duty . . . to ensure that we continue being friends. I welcome you today, Mr. President, with the promise that this government will sincerely and stubbornly make sure to maintain relations between our two nations that are based on mutual respect and cooperation; and that the decisions which affect both sides of the border will be taken only after very close consultation between our two governments.

Our very proximity represents an opportunity for us to show the world how two nations, by talking to each other as equals, as partners, as friends, can solve their problems and deepen their mutual respect. . . .

Mr. President: You are a scholar, a man of art, and a political leader of a proud and independent nation. There are many items of importance on our agenda. I look forward to a far-reaching exchange of views that will cement the ties between us. The personal friendship that we are forging must be matched by the close relationship between our two peoples.

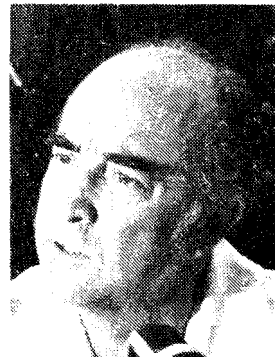
## President Reagan's toast:

At our first meeting you gave me a splendid example of your own artistry—drawings of horses, etched on glass, drawn by you, that are now proudly displayed behind my desk. . . .

It would be difficult to match the gift that arrived at our ranch before my inauguration . . . a magnificent horse, your personal mount. Now that was more than friendship, you took me into your family. . . .

The art of politics is sometimes frustrating. There are other times of confidence and optimism, and your visit has been such a time.

## President López Portillo's speech of greetings:



It is a great pleasure to be here in the capital of your country . . . and to see you now totally recovered from the attack of absurd violence you suffered. I am pleased at your great capacity of recovery, and I see in your health and your fortitude a symbol of the health and fortitude of your nation.

Few countries in the world have as many matters to discuss as do Mexico and the United States. We are not only neighbors, but we also represent two worlds. . . . We represent the relationship between the developing world and the world that has already been developed. . . .

I come here now, sir, as a friend without any prejudice to talk over these matters with you, and to prove with my coming that there can be friendship among friends and that this friendship can have as its main pillar and basis the rule of reason. . . .

When we do not agree, then we will talk things over without arrogance. Arrogance is a dangerous deviation of those who are in a weaker position. The other very dangerous aspect is submission. We will select the road of respect and the rule of reason, without any submission and without any arrogance. . . .

I feel, Mr. President, your goodwill and your friendship. I feel your honesty and your decency. I will make every effort to reciprocate the courtesies you have extended to me.

## President López Portillo's toast:

I must confess that I am moved. . . . I have spoken before a gathering in this same place three times before, and I have never been as moved as I feel today. . . . I have always spoken frankly. . . . The relationship, for some reason or other, has always been a tense one. . . . For the first time now I have felt totally relaxed. . . . A President of the United States has used with me that very generous phrase, "my home is your home. . . ."

The most important thing of all is respect. To give without respect is usually offensive. . . . The first expression that we learned as children is one that was said by [19th-century Mexican President] Benito Juárez. He said that respect for the rights of others is peace.

Ours is the most significant relationship between the North and the South. . . . I believe that in Cancún, we shall have the ability to say that it is possible.